



State of Connecticut
House of Representatives

Representative Kim Rose
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Testimony of Representative Kim Rose
General Law Committee
Tuesday, February 24, 2015

House Bill #5785 AAC Insurance and Testing Requirements for Home Improvement Contractors

Good afternoon Chairman Baram, Chairman Leone and distinguished members of the General Law Committee. Thank you for giving me the opportunity to address the committee today. I am Representative Kim Rose, representing Milford's 118th District. I am here to testify in favor of **H.B. 5785 An Act Concerning Insurance and Testing Requirements for Home Improvement Contractors**.

To sell real estate or insurance, the state of Connecticut requires a license and continuing educational classes. To become an electrician or plumber the state of CT requires you to be licensed and also take annual credits. However, to become a home improvement contractor the state only requires a person to register their business with the state. Many state homeowners are under the impression that we actually test and license contractors giving them a false sense of security with our current system.

There are currently more than 22,000 registered contractors in the state of Connecticut. In most cases, a person's home is their most valuable asset, yet the existing law allows anyone with an easily acquired registration to work in our homes without validating their experience, their knowledge of building codes or their understanding of state codes and requirements.

At the current time, a "guarantee fund" is in place that consumers can turn to try to recoup losses due to faulty workmanship. This fund is only available after the homeowner hires an attorney, goes to court and wins a judgment. In my personal experience, when I had my case against a deceitful contractor, my attorney's fees would have topped \$15,000 and because my case was settled out of court, I didn't qualify for the guarantee fund.

The "guarantee fund" is funded through the registration fees paid by contractors. This bill intends to raise the registration fee to cover the additional funds in the "guarantee fund" I am proposing, so that homeowners facing faulty work can recoup a reasonable amount of their investment.

Currently, the state does not require contractors to have minimum insurance. This bill will require them to carry a minimum liability policy of 1M dollars. In many cases, as it was my experience, the contractor I hired was grossly under insured and I was not able to recoup anywhere near my damages.

Testing- I have supplied each of you with a booklet that is available through the Dept. of Consumer Protection that outlines all state requirements and offers helpful tips on how to run a successful business. Unfortunately, many contractors are not aware of the publication. Each year, hundreds of contractors are issued fines for not following the current registration laws.

This bill will require each contractor to take an open book test to prove that they have a working knowledge of state requirements, including contractual agreement, estimates and much more. This part of the legislation will ensure that contractors have familiarized themselves with current law and will offer protections to consumers. Additional licensing fees will cover the cost of production of the book and administration of the test.

This book is also available in Spanish.

I urge you to vote this important consumer protection bill forward. Thank you for your time and I will be happy to answer any questions.

Sincerely,

A handwritten signature in black ink that reads "Kim Rose". The signature is fluid and cursive, with the first name "Kim" and last name "Rose" clearly distinguishable.

State Representative
118th Assembly District